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## HOUSE BILL 2370

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State of Washington

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58th Legislature

2004 Regular Session

By Representative Veloria

Read first time 01/13/2004. Referred to Committee on Judiciary.

- 1 AN ACT Relating to condominiums created on or before July 1, 1990;
- amending RCW 64.32.200; and adding a new section to chapter 64.32 RCW.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 64.32.200 and 1988 c 192 s 2 are each amended to read 5 as follows:
  - (1) The declaration ((may)) shall (a) provide for the collection of all sums assessed by the association of apartment owners for the share of the common expenses chargeable to any apartment, and (b) state the formulas or methods used in establishing the allocation of these expenses among the apartment owners. The formulas or methods required under this subsection must result in an allocation of the common expenses among the apartment owners that is reasonable and equitable.
  - (2) The collection of the assessments for common expenses allowed under subsection (1) of this section may be enforced in any manner provided in the declaration including but not limited to (a) ten days notice shall be given the delinquent apartment owner to the effect that unless such assessment is paid within ten days any or all utility services will be forthwith severed and shall remain severed until such

p. 1 HB 2370

assessment is paid, or (b) collection of such assessment may be made by such lawful method of enforcement, judicial or extra-judicial, as may be provided in the declaration and/or bylaws.

 $((\frac{2}{2}))$  All sums assessed by the association of apartment owners but unpaid for the share of the common expenses chargeable to any apartment shall constitute a lien on such apartment prior to all other liens except only (a) tax liens on the apartment in favor of any assessing unit and/or special district, and (b) all sums unpaid on all mortgages of record. Such lien is not subject to the ban against execution or forced sales of homesteads under RCW 6.13.080 and may be foreclosed by suit by the manager or board of directors, acting on behalf of the apartment owners, in like manner as a mortgage of real In any such foreclosure the apartment owner shall be required to pay a reasonable rental for the apartment, if so provided in the bylaws, and the plaintiff in such foreclosures shall be entitled to the appointment of a receiver to collect the same. The manager or board of directors, acting on behalf of the apartment owners, shall have power, unless prohibited by the declaration, to bid on the apartment at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Upon an express waiver in the complaint of any right to a deficiency judgment, the period of redemption shall be eight months after the sale. Suit to recover any judgment for any unpaid common expenses shall be maintainable without foreclosing or waiving the liens securing the same.

((+3+)) (4) Where the mortgagee of a mortgage of record or other purchaser of an apartment obtains possession of the apartment as a result of foreclosure of the mortgage, such possessor, his successors and assigns shall not be liable for the share of the common expenses or assessments by the association of apartment owners chargeable to such apartment which became due prior to such possession. Such unpaid share of common expenses of assessments shall be deemed to be common expenses collectible from all of the apartment owners including such possessor, his successors and assigns.

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NEW SECTION. Sec. 2. A new section is added to chapter 64.32 RCW to read as follows:

The principles of law and equity, including the law of corporations and unincorporated associations, the law of real property, and the law

HB 2370 p. 2

- 1 relative to capacity to contract, principal and agent, condemnation,
- 2 estoppel, fraud, misrepresentation, duress, coercion, mistake,
- 3 receivership, substantial performance, or other validating or
- 4 invalidating cause supplement the provisions of this chapter, except to
- 5 the extent inconsistent with this chapter.

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p. 3 HB 2370